87-1335

No. .....

Supreme Court, U.S.
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CLERK

In The

# Supreme Court of the United States

October Term, 1988

—o—

RONALD A. BRAVERMAN,

*Petitioner,*

vs.

UNITED STATES OF AMERICA,

*Respondent.*

—o—

## APPENDIX TO PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT

—o—

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## APPENDIX TABLE OF CONTENTS


Appendix Description

A Opinion of the United States Court of Appeals for the Sixth Circuit (entered on September 25, 1987) ..... App. 1

B Memorandum and Order of the United States District Court for the Northern District of Ohio, Eastern Division (entered on July 17, 1985) ..... App. 15

C Order of the United States Court of Appeals for the Sixth Circuit denying rehearing and suggestion for rehearing *en banc* (entered on December 10, 1987) ..... App. 17

D Provision of Title 18 U.S.C. § 1623 ..... App. 19

E Reprint of unpublished decision in *In Re Craven* (N.D.Cal. 1973), Case No. 72-16 RFP, Memorandum and Order filed on March 30, 1973, as reported in 13 Crim.L. Rep. 2100 (BNA, May 2, 1973) ..... App. 21

F Petitioner's Indictment under 18 U.S.C. § 1623 (filed on March 7, 1984) ..... App. 25

**APPENDIX A**

OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT.

NOT RECOMMENDED FOR PUBLICATION

No. 86-3699

UNITED STATES COURT OF APPEALS
FOR THE SIXTH CIRCUIT

NOT RECOMMENDED FOR
FULL-TEXT PUBLICATION

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| | |
|---|---|
| UNITED STATES OF AMERICA, | ON APPEAL |
| Plaintiff-Appellee, | FROM THE |
| v. | UNITED STATES |
| RONALD A. BRAVERMAN, | DISTRICT COURT |
| Defendant-Appellant. | FOR THE |
| | NORTHERN DISTRICT |
| | OF OHIO. |

(Filed September 25, 1987)

BEFORE: JONES and NORRIS, Circuit Judges; and COOK, District Judge.*

*Hon. Julian A. Cook, Jr., United States District Judge for the Eastern District of Michigan, sitting by designation.

ALAN E. NORRIS, Circuit Judge. Defendant, Ronald A. Braverman, appeals his convictions on six counts of perjury—of knowingly making materially false declarations while testifying under oath before a United States grand jury, in violation of 18 U.S.C. § 1623. Defendant entered conditional pleas of guilty, pursuant to Fed. R. Crim. P. 11, in order to preserve for appeal the trial court's adverse rulings on pretrial motions. The adverse determinations were denials of defendant's motions to dismiss the indictment for failure to charge the crime of perjury, and for ineffective representation by counsel before the grand jury. Defendant was sentenced to a term of imprisonment of one year and one day on each count, to run concurrently, and to consecutive $10,000 fines on each count, for a total fine of $60,000.

## I.

In September 1981, defendant was subpoenaed to appear as a witness before a grand jury of the Northern District of Ohio investigating Reuben Sturman for alleged violations of the Internal Revenue Code. Upon receipt of the subpoena, defendant obtained the services of a California attorney, experienced in defending those charged with violating tax laws.

The perjury indictment resulted from defendant's testimony before the grand jury on December 2 and 3, 1981. Prior to his giving testimony, the government obtained an order of formal use immunity under 18 U.S.C. §§ 6002 and 6003. Immunity was conferred upon defendant at the commencement of his appearance on December 2, 1981. He was compelled to give testimony, and was ad-

vised by the trial court that he had a right to consult with his attorney outside the grand jury room. At that time the government also made it clear that defendant was not the target of the grand jury's investigation.

Defendant's testimony proceeded throughout the afternoon of December 2, during which time it became apparent that it would be impossible for the government to conclude its examination on that day. At the conclusion of the December 2 session of the grand jury, defendant and his California counsel were advised that it would be necessary for defendant to reappear the following day. Because counsel had a conflicting obligation in Los Angeles he could not attend defendant's second day of testimony. A member of the local bar, who was a tax attorney and had little experience in criminal defense matters, was retained by defendant as substitute counsel. This local attorney met with defendant and his California counsel and they briefly discussed the matters under investigation, and defendant's immunity.

On December 3, local counsel sought to reschedule defendant's appearance before the grand jury, but the government objected on the ground that he had been granted immunity and would not be exposed to prosecution as a result of his testimony. The government continued its questioning. Although his California counsel had returned to Los Angeles, defendant was able to consult with him on one occasion, by telephone, during this second day of testimony.

On March 7, 1984, defendant was indicted on seven counts of perjury. Count Two of the indictment was dis-

missed by the trial court, pursuant to the government's stipulation that it failed to satisfy the standards enunciated by this court in *United State v. Eddy,* 737 F.2d 564 (6th Cir. 1984). Part C of Count Five of the indictment was also dismissed by the trial court since the government had not amended it to accurately reflect the grand jury testimony given by defendant.

II.

We consider first defendant's assertion that his sixth amendment right to counsel was violated because he was not "effectively" represented by his California lawyer, who was absent during part of his testimony and who failed to advise him of his right of recantation following that testimony. He also contends that, under the totality of circumstances, including his retention of local counsel who admittedly was inexperienced and was unable to render meaningful advice, due process requires that statements made before the grand jury be suppressed. In essence, then, defendant claims that he received ineffective assistance of counsel when he appeared before the grand jury, and that this requires reversal of his convictions.

It is a well-settled principle of constitutional law that the guarantee of the right to counsel found in the sixth amendment attaches when adversarial judicial proceedings have been instituted against an individual. *Powell v. Alabama,* 287 U.S. 45 (1932).

> For it is only then that the government has committed itself to prosecute, and only then that the adverse positions of government and defendant have solidified. It is then that a defendant finds himself faced with the prosecutorial forces of organized society, and im-

> mersed in the intricacies of substantive and procedural criminal law.

*Kirby v. Illinois*, 406 U.S. 682, 689 (1972).

Further, the Supreme Court has held that a witness before a grand jury cannot insist, as a matter of constitutional right, on being represented by counsel. *In re Groban*, 352 U.S. 330, 333 (1957). A witness may, however, have counsel available to him outside the grand jury room; the witness does have the right to leave the room to consult with his attorney during questioning. *United States v. Mandujano*, 425 U.S. 564, 581 (1976);[1] *United States v. George*, 444 F.2d 310, 314 (6th Cir. 1971).

No criminal proceedings had been instituted against defendant at the time he appeared before the grand jury. Hence, the sixth amendment right to counsel had not come into play. *Kirby*, 406 U.S. at 689-90; *Mandujano*, 425 U.S. at 581. As noted previously, defendant was advised by the

---

1. A four-justice plurality of the Court, Chief Justice Burger, Justices White, Powell, and Rehnquist, 425 U.S. at 581, suggested that a grand jury witness has no right to counsel, whatever. Justices Marshall and Brennan concurred in the result but took issue with the plurality's broad proscription, arguing that a grand jury witness is entitled to some degree of assistance from counsel. 425 U.S. at 602-09 (Stewart and Blackmun, JJ., concurring, 425 U.S. at 609). It is noteworthy that the concurrence of Justices Marshall and Brennan argued for extension of the right to counsel to include a witness who is testifying before the grand jury based upon the need to protect that witness' fifth amendment right against self-incrimination. In this case, defendant had been bestowed with use immunity; thus, the rationale for extension of the right to counsel had therefore been diminished by his having attained the prosecutorial immunity status. At best, the need for protection under the sixth amendment right to counsel appears to have attenuated significantly. *See Matter of Lowry*, 713 F.2d 616, 618 n.4 (11th Cir. 1983).

trial judge that he had the right to consult with his attorney. He was given adequate opportunity to exercise that privilege once the questioning began. Even if he had a sixth amendment right to counsel there is no merit in defendant's assertion that his right under the amendment was violated when, after consulting with an attorney outside the grand jury room, he returned to give perjurious testimony. Neither the sixth amendment right to counsel, nor the fifth amendment privilege against self-incrimination, provide protection for the commission of perjury. "Our system provides methods for challenging the government's right to ask questions—lying is not one of them. A citizen may decline to answer the question, or answer it honestly, but he cannot with impunity knowingly and willfully answer with a falsehood." *Bryson v. United States,* 396 U.S. 64, 72 (1969). Accordingly, we reject the view of the sixth amendment right to counsel urged upon us by defendant and find nothing in the record to preclude his conviction under its provisions.

We find equally without merit defendant's contention that under the totality of circumstances his conviction must be overturned because it was not in accordance with due process of law. Defendant's false testimony was not "induced by government tactics or procedures so inherently unfair under all the circumstances as to constitute a prosecution for perjury a violation of the Due Process Clause of the Fifth Amendment." *United States v. Mandujano,* 425 U.S. at 585 (Brennan, J., concurring [footnote omitted]); *see also United States v. Brown,* 666 F.2d 1196, 1199 (8th Cir. 1981), *cert. denied,* 457 U.S. 1108 (1982). Defendant does not contend that he was counseled to give false

testimony, nor does he demonstrate how effective assistance of counsel outside the grand jury room would have led him to tell the truth.

III.

We next consider whether the questions and answers from the grand jury proceedings which were set out in the indictment, when compared with the portion of the indictment setting out the truth of the matters required into, were sufficient as a matter of law to support the conviction for perjury.

Defendant was charged with making a false declaration before the grand jury: "(a) Whoever under oath . . . in any proceeding before . . . any . . . grand jury of the United States knowingly makes any false material declaration . . . shall be fined not more than $10,000 or imprisononed not more than five years, or both." 18 U.S.C. § 1623.

Defendant contends that the indictment charged him with perjury by implication. It is true that the statute does not make it a crime for a witness to knowingly make a material declaration from which one might imply a material fact that is false. *Bronston v. United States,* 409 U.S. 352 (1973); *United States v. Eddy,* 737 F.2d at 569. In *Bronston,* the witness was asked if he had any bank accounts in Swiss banks, and he truthfully answered "no" (his personal Swiss bank account had by then been closed). He was then asked, "Have you ever?," and he responded, "The company had an account there for about six months, in Zurich." *Bronston v. United States,* 409 U.S. at 354. That answer was literally true but, of course, misleading

since the witness had maintained his own Swiss account in the past. A unanimous Supreme Court held that a prosecution for perjury does not lie for an answer that is literally true but unresponsive to the question asked, even where the witness intended the questioner to be misled, and where the answer, by negative implication, was false.

Furthermore, because the essence of the crime is the knowledge of the witness that his testimony is false, where the question propounded to him admits of several plausible meanings the witness' knowledge cannot be adequately tested. *See United States v. Wall*, 371 F.2d 398, 400 (6th Cir. 1967). The question propounded to a witness must be parsed to determine if it was readily susceptible of a responsive reply, and if it adequately tested the witness' belief in the veracity of his answer.

We have carefully reviewed the language of the indictment charging the six counts of which defendant was convicted and, as to the first, third, and sixth counts, are of the opinion that they did not charge defendant with perjury by implication but, instead, were sufficient, as a matter of law, to support a conviction under 18 U.S.C. 1623.

In its fourth count, the indictment alleged that defendant testified falsely as follows:

> Q. Have you ever handled any sort of financial tranactions for Reuben Sturman?
>
> A. Outside of minor personal ones, no.
>
> Q. What do you consider minor?
>
> A. I'm talking about something under a few hundred dollars, like, you know, when he saw

> something he couldn't get it, I would purchase it for him.
>
> I know I bought him some cigars a couple of times, and everyone [*sic*] of these personal things have always been reimbursed.

The indictment then went on to allege that defendant knew that testimony was false since "he in fact was involved in a financial transaction involving Reuben Sturman's loan of $100,000 to Gerry Stockton." The phrase "handled any sort of financial transactions for" Sturman is less than precise, and suggests various interpretations. Certainly, one may be involved with another in a financial transaction without handling it for him. The burden is on the questioner to pin the witness down to the specific object of the questioner's inquiry. *Bronston v. United States,* 409 U.S. at 360. Because the questions and answers, especially when considered in the context of the truth alleged by the government in the indictment, were too ambiguous to test either the truth of the answers, or of defendant's knowledge of their falsity, the trial court erred in not dismissing Count Four.

Count Five alleged that the following testimony was false:

> Q. Now, you mentioned before that you did have some Swiss bank accounts?
>
> A. Yes.
>
> Q. Did you have more than one?
>
> A. No.
>
> Q. What bank did you have the account in Switzerland?
>
> A. I think it's at the Swiss Credit Bank?

Q. Where is that located?

A. Switzerland, in Zurich.

Q. So when you went to handle transactions with your Swiss bank account, you would go to Zurich.

A. Oh, yes.

Q. Do you still maintain that account?

A. Yes.

. . . .

Q. All right. How much money do you have in your Swiss bank account currently?

A. Somewhere around $200,000.

Q. That is currently being replenished by profits from Vending B.V.; is that correct?

A. Yes.

. . . .

Q. Is it fair to say that you have then maintained all of the money that you received from Stonerealm from the skim?

A. Yes.

Q. Is all that money still in your Swiss account?

A. Well, you spend a lot of it, but the majority was there at one time. If we are talking about the '74, '75 time frame, the money was still there. Its [*sic*] no longer.

Q. We are.

A. But the bulk of it is no longer.

Q. If we are going to cover the period 1974 through 1981, when the skim ceased—is that fair to say?

A. '79, '80.

. . . .

Q. Now, where specifically did you get the money for the downpayment? [*sic*]

A. From my Swiss account.

Q. Was that—that was a lump sum withdrawal?

A. Right.

Q. Did you personally go to Switzerland and withdraw the money?

A. I believe I did, and I sent it over in check form.

Q. You sent a check to Mr. Sturman?

A. Yes, but it was not in cash.

Q. You wire transferred?

A. No. It was like a cashier's check, a bank check.

Q. For $75,000 payable to whom?

A. Teddy Marche.

. . . .

Q. What bank did you draw the cashier's check on for the down payment?

A. I would imagine the Swiss Credit Bank.

Q. Was it the Swiss Credit Bank, or are you guessing it was?

A. I would say that's where my account was. That's where I would have drawn it.

This was said to be false since defendant knew (A) that he once had two other Swiss accounts; (B) that the account had been closed and had a zero balance; [Part (C) of Count Five was dismissed by the district court]; (D) that "[c]ontrary to the Defendant's testimony . . . that

from 1974 to 1980 or 1981 he deposited all of the skim money from Stonerealm Ltd. into his account at the Swiss Credit Bank, no such deposits were ever made into that account''; and (E) that contrary to his testimony that he had withdrawn $75,000 from his Swiss account to use as a down payment, no such withdrawal was made.

The problem with Part (D) of Count Five is that the questions and answers are too vague and ambiguous to support the government's allegation that defendant testified that he had deposited all of the skim money into his account at the Swiss Credit Bank. Accordingly, Part (D) should have been dismissed. We do, however, conclude that the questions and answers grounding Part (E) are sufficient to ground that charge since defendant, in the beginning of that excerpt of testimony, precisely identified the source of the down payment as his Swiss bank account. Had the latter part of the testimony been the only exchange relied upon by the government, it could not have supported the charge since it is unclear whether the witness was being asked for the source of the $75,000, or of the bank upon which a cashier's check was drawn. However, even if Part (E) as well as Part (D) had been dismissed, Parts (A) and (B) were sufficient to support a conviction, and the trial court's judgment of conviction under Count Five would therefore not be disturbed.

The seventh count pointed to this testimony as false:

> Q. Tell us how you capitalized Health Devices?
>
> . . . .
>
> A. . . . [W]hat I did, is a lot of the money that I had made over those previous years and had put into Swiss accounts and had put into Dutch

accounts and so on, I started transferring back to the United States, I started bringing back to the United States in cashier's checks and so on. I brought it back in cash, I brought it back however I could, and I kept investing it into the business as the business needed it, and there was a total capitalization of somewhere between five and six hundred thousand that I subsequently put into the business.

. . . .

Q. Were you the sole source of bringing the money into the country?

A. No. I once asked Mr. Marle to bring some money and Mr. Geerts.

Q. How much money did Mr. Marle bring into the country?

A. I believe together they brought in about $100,000.

Q. Would that have been in cash?

A. Yes.

Q. Did they obtain that money from your Swiss bank account?

A. Yes. I had it withdrawn for them and given to them.

The indictment went on to say that this was false because defendant knew that "Health Services was not capitalized with currency withdrawn from MR. BRAVERMAN'S Swiss account."

Although in the earlier part of his testimony defendant identified "Swiss accounts" and "Dutch accounts and so on" as the location of the money which he started transferring back to the United States, in the latter part

of his testimony he unequivocally identified the source of the money brought into the United States by Messrs. Marle and Geerts as his Swiss bank account. There being no ambiguity in that testimony, defendant's contention is not well-taken; as to that portion of the capitalization, defendant said it was withdrawn from his Swiss bank account.

The judgment of the district court is *affirmed in part and reversed in part,* and this cause is *remanded* to the district court with instructions to modify its judgment and sentence in a manner consistent with this opinion.

## APPENDIX B

MEMORANDUM AND ORDER OF THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF OHIO, EASTERN DIVISION.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

| | | |
|---|---|---|
| UNITED STATES OF AMERICA | ) | Criminal Action |
| | ) | No. CR84-34 |
| Plaintiff | ) | |
| | ) | |
| vs. | ) | MEMORANDUM |
| | ) | AND ORDER |
| RONALD A. BRAVERMAN | ) | |
| | ) | |
| Defendant | ) | |

ALDRICH, J.

(Filed July 17, 1985)

On March 7, 1984, the United States of America indicted Ronald A. Braverman on seven counts of perjury under 18 U.S.C. § 1623. Before the Court are Braverman's two motions to dismiss: a "Motion to Dismiss Indictment" pursuant to the limitations on perjury prosecutions set forth in *Bronston v. United States*, 409 U.S. 352 (1973), and *United States v. Eddy*, 737 F.2d 564 (6th Cir. 1984) ("the perjury motion"), and a "Motion to Dismiss Indictment on Grounds of Ineffective Assistance of Counsel and/or Unfair Government Tactics and Procedures" ("the ineffective assistance motion"). On reviewing the voluminous pleadings, this Court rules:

(1) Count II of the indictment is dismissed, pursuant to the government's concurrence that it fails to satisfy the standards enunciated in *Eddy;*

(2) Count V, subpart C will be dismissed unless, prior to trial, the government amends the indictment to reflect the fact that Braverman testified that he received "about $250,000, maybe a little less" (rather than "the sum of $250,000") from the sale of "his Amsterdam business" (rather than "his Amsterdam businesses").

(3) In all other respects, the perjury motion is denied.

(4) The ineffective assistance motion fails to satisfy the standards enunciated in *Strickland v. Washington,* — U.S. —, 104 S.Ct. 2052 (1984), and *Lockett v. Arn,* 740 F.2d 407 (6th Cir. 1984), and the motion is denied.

This Court reserves the right to set forth the reasons for this order in greater detail, on the record, at the time of trial.

IT IS SO ORDERED.

/s/ ANN ALDRICH
United States District Judge

## APPENDIX C

ORDER OF THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT DENYING REHEARING AND SUGGESTION FOR REHEARING EN BANC.

No. 86-3699

UNITED STATES COURT OF APPEALS
FOR THE SIXTH CIRCUIT

| | | |
|---|---|---|
| UNITED STATES OF AMERICA, | ) | |
| | ) | |
| Plaintiff-Appellee, | ) | |
| | ) | |
| v. | ) | |
| | ) | |
| RONALD A. BRAVERMAN | ) | O R D E R |
| | ) | |
| Defendant-Appellant | ) | |
| | ) | |

(Filed December 10, 1987)

BEFORE: JONES and NORRIS, Circuit Judges, and COOK*, United States District Judge

The Court having received a petition for rehearing en banc, and the petition having been circulated not only to the original panel members but also to all other active judges of this Court, and no judge of this Court having requested a vote on the suggestion for rehearing en banc, the petition for rehearing has been referred to the original hearing panel.

---

* Hon. Julian A. Cook, Jr. sitting by designation from the Eastern District of Michigan.

The panel has further reviewed the petition for rehearing and concludes that the issues raised in the petition were fully considered upon the original submission and decision of the case. Accordingly, the petition is denied.

ENTERED BY ORDER OF THE COURT

/s/ John P. Hehman, Clerk

## APPENDIX D

### PROVISIONS OF TITLE 18 U.S.C. § 1623.

§ 1623. False declarations before grand jury or court

(a) Whoever under oath (or in any declaration, certificate, verification, or statement under penalty of perjury as permitted under section 1746 of title 28, United States Code) in any proceeding before or ancillary to any court or grand jury of the United States knowingly makes any false material declaration or makes or uses any other information, including any book, paper, document, record, recording, or other material, knowing the same to contain any false material declaration, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

(b) This section is applicable whether the conduct occurred within or without the United States.

(c) An indictment or information for violation of this section alleging that, in any proceedings before or ancillary to any court or grand jury of the United States, the defendant under oath has knowingly made two or more declarations, which are inconsistent to the degree that one of them is necessarily false, need not specify which declaration is false if—

(1) each declaration was material to the point in question, and

(2) each declaration was made within the period of the statute of limitations for the offense charged under this section.

In any prosecution under this section, the falsity of a declaration set forth in the indictment or information shall be established sufficient for conviction by proof that the

defendant while under oath made irreconcilably contradictory declarations material to the point in any proceeding before or ancillary to any court or grand jury. It shall be a defense to an indictment or information made pursuant to the first sentence of this subsection that the defendant at the time he made each declaration believed the declaration was true.

(d) Where, in the same continuous court or grand jury proceeding in which a declaration is made, the person making the declaration admits such declaration to be false, such admission shall bar prosecution under this section if, at the time the admission is made, the declaration has not substantially affected the proceeding, or it has not become manifest that such falsity has been or will be exposed.

(e) Proof beyond a reasonable doubt under this section is sufficient for conviction. It shall not be necessary that such proof be made by any particular number of witnesses or by documentary or other type of evidence. (Added Pub.L. 91-452. Title IV, § 401(a), Oct. 15, 1970, 84 Stat. 932, and amended Pub.L. 94-550, § 6, Oct. 18, 1976, 90 Stat. 2535.)

## APPENDIX E

REPRINT OF UNPUBLISHED DECISION IN *IN RE CRAVEN* (N.D. Cal. 1973), CASE NO. 72-16 RFP, MEMORANDUM AND ORDER FILED ON MARCH 30, 1973, AS REPORTED IN 13 Crim. L. Rep. 2100 (BNA, MAY 2, 1973).

### U.S. TRANSCRIPT REFUSAL JUSTIFIED GRAND JURY WITNESS' SILENCE

*California federal court orders witness purged of contempt imposed after refusal to testify.*

The Government's continued unwillingness to furnish a recalcitrant grand jury witness with a transcript of his testimony should he testify leads the U.S. District Court for Northern California, on remand from the Ninth Circuit, to purge the witness of the contempt in which it had found him.

This witness is not required to show particularized need for his own testimony. Besides, he has shown such need. Furthermore, grand jury secrecy is for the protection of witnesses, and this witness has waived his right of secrecy. The witness is entitled under 18 U.S.C. 1623 to correct false declarations, and he should also be protected against prejudicial inferences that might be drawn by the public or his employers. And there is no danger here that disclosure of the transcript to the defendant and his lawyer would lead any third party mentioned in his testimony to change his testimony or flee the jurisdiction. (In re Craven, 3/30/73)

*Digest of Opinion*: [Text] On January 17, 1973 witness Craven appeared before the Grand Jury but refused to answer questions propounded to him solely on the

ground that the Government declined to furnish him a transcript of his testimony to be then and there given. The Government has stated through the affidavit of an Assistant United States Attorney that it will respectfully continue to decline to furnish witness Craven a transcript of any testimony he might give before said Grand Jury.

* * *

This is not a case where a third party seeks to obtain the grand jury transcript of a witness. There the courts have required a showing of particularized need. United States v. Procter & Gamble Co., 356 U.S. 677 (1958); In Re Russo, 53 F.R.D. at 572.

The privilege of secrecy, as the government points out, is largely to encourage witnesses to testify without fear of retaliation. This privilege is that of the witness. Here, there is no doubt that the witness, a medical doctor, freely and voluntarily waived that right. Secrecy here is not necessary to encourage the witness's testimony.

A witness with a good memory or with stenographic skills could record the questions asked him and his answers to them. He is under no obligation of secrecy.

While the court does not feel that a showing of "particularized need" is required for the transcript to be furnished, under the circumstances of this case such a showing has been made here.

(1) 18 U.S.C. Section 1623 (as amended) (false declarations before a grand jury or court) allows a witness to correct false declarations without fear of prosecution if such a correction is made before "substantially affecting the proceedings" or "it has not become manifest that

such falsity has been or will be exposed." Furnishing the witness such a transcript will give the witness the opportunity to correct errors made in good faith, insure that his testimony is consistent with statements made to Federal Bureau of Investigation agents and help implement the Congressional purpose behind Section 1623. It was Congress' intent that Grand Jury should be more concerned with getting at the truth than with obtaining perjury convictions. See 1970 U.S. Cong. Code and Admin. News 4023, 4024. [See also] In Re Minkoff, Misc. No. 7800 (D. R.I. decided October 13, 1972) * * *

(2) The possibility of prejudicial inferences being drawn by the public from the extensive publicity and the fact that the questions asked the witness were read in open court during the contempt proceedings.

(3) The certainty that prejudicial inferences are being drawn by the petitioner's employers as indicated by the affidavit of his counsel.

Lastly the court can see no prejudice to the government or to third parties which could not be obviated by a protective order. First, the names of third parties referred to in the testimony can be substituted by appropriate letters of the alphabet. Second, the transcript could initially be seen only by the witness, his attorney, and his employer during the life of the Grand Jury. This will obviate the Government's conjecture that third parties will "piece together" references to them in the transcript and either change their testimony or flee the jurisdiction. This condition was imposed in In Re Minkoff, supra.

After the life of the Grand Jury the transcript may be made public as the witness is under no obligation of secrecy.

The Government has, however, shown no inclination to comply with the condition that it agree to furnish a transcript to witness Craven even under appropriate protective order. In light of witness Craven's affidavit that he is prepared to testify, his appearance before the Grand Jury to accomplish that end, and the Government's past and continuing refusal to furnish witness Craven a transcript of the testimony he was prepared to give, it is hereby ordered that Petitioner, PHILIP CRAVEN, is purged of the order of contempt entered by this court on October 22, 1972, and said order of contempt is vacated and set aside. [*End Text*]—Peckman, J.

(In re Craven; USDC Calif, 3/30/73)

## APPENDIX F

PETITIONER'S INDICTMENT
UNDER 18 U.S.C. § 1623.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

| | |
|---|---|
| UNITED STATES OF AMERICA, Plaintiff, v. RONALD A. BRAVERMAN, Defendant. | CASE NO. CR 84-34<br>JUDGE ALDRICH<br>VIOLATIONS: Title 18, U.S.C. Section 1623 |

(Filed March 7, 1984)

INDICTMENT

The Grand Jury charges that:

COUNT I

On or about December 2, 1981 and December 3, 1981, in the Northern District of Ohio, RONALD A. BRAVERMAN, the Defendant herein, having duly taken an oath that he would testify truthfully in a proceeding before the United States Grand Jury, which had been duly impanelled and sworn in the United States District Court for the Northern District of Ohio, did unlawfully and knowingly make certain false and material declarations as hereinafter described:

1. At the time and place aforesaid, the said Grand Jury was conducting an investigation into possible violations of Sections 7201 and 7206(1) of Title 26 of the United States Code relating to income tax evasion and subscribing to false income tax returns; violations of Section 371 of Title 18 of the United States Code relating to conspiracy to defraud the United States government; and violations of Sections 5322(a) and 5322(b) of Title 31 of the United States Code relating to failure to file foreign bank account reports.

2. It was material to the aforesaid investigation to determine the true nature of the Fabricora Establishment bank account (#54.95.13.248) at the Algemene Bank Nederland N.V. in Amsterdam. This included the identity of the person who opened and operated the account, the identity of those persons having signature authority over the account, and the purpose for which it was opened and operated in general and in regard to specific transactions.

3. At the time and place hereinabove specified in paragraph one, RONALD A. BRAVERMAN, the Defendant herein, appeared as a witness before said Grand Jury and, then and there being under oath, testified falsely before said Grand Jury with respect to the said matters as follows:

Grand Jury Transcript
December 2, 1981
p. 141, lines 16-25

Q. Are you familiar with the bank account called Fabricora Establishment?

A. Yes.

Q. Would you tell the Grand Jury what that is?

A. It was an account that I used to put money into Vending, and that was all I ever used it for, and there were like maybe four or five transactions. It was an account that Mr. Marle had and not myself.

* * *

p. 142, lines 1-18

A. I just used it to put money through there instead of investing cash into the corporation.

Q. So whose account—whose name was the account in then?

A. It was in my name. I was a signer on the account for a very short period of time, and Mr. Marle was on the account.

Q. Were you physically present at the time the account was open?

A. No.

Q. Who was, Mr. Marle?

A. Yes.

Q. He opened the account?

A. Yes.

Q. Later you signed a signature card which authorized you to deal in the account?

A. Correct.

* * *

p. 146, lines 20-25
p. 147, lines 1-8

Q. Over how long a period did you use that particular account?

A. Not long. Less than a year.

Q. What, if anything, did you do to withdraw your name from that account?

A. I don't know if I ever did. I just never used that account anymore.

I told him that I was—I had no use for it, and that if he wanted to close it, he could. I didn't know what he was going to do with it.

Q. All the money that you placed in that account passed through to the business?

A. Yes.

* * *

p. 148, lines 7-12

Q. So it is your testimony to the Grand Jury today that Mr. Marle opened that account?

A. That's correct.

Q. And later on you simply became authorized to use that account?

A. That's correct.

* * *

Grand Jury Transcript
December 3, 1981
p. 381, lines 24-25
p. 382, lines 1-4

Q. One last question. You testified yesterday in an unequivocal manner, that you did not open the Fabricora Establishment bank account?

A. Right.

Q. Do you stand by that testimony?

A. Right.

* * *

4. The aforesaid testimony of RONALD A. BRAVERMAN, the Defendant herein, as he then and there well knew and believed was not true in that:

A. Contrary to the Defendant's testimony that Henny Marle opened and operated the Fabricora Establishment bank account (p. 141, lines 16-25; p. 142, lines 9-18; p. 148, lines 7-12; p. 381, lines 24-25; p. 382, lines 1-4) it was the Defendant who opened the account and Henny Marle neither opened it nor was a signer on the account.

B. Contrary to the Defendant's testimony that he used the Fabricora Establishment account on four or five occasions over a period of less than a year to fund a corporation known as Vending B.V. (p. 141, lines 16-25; p. 142, lines 1-3; p. 146, lines 20-23) the Defendant operated the account for a period of five years, from 1976 to 1981, and engaged in many transactions, none of which involved transfers of funds to the Vending B.V. account.

All of the above in violation of Section 1623, of Title 18, United States Code.

The Grand Jury further charges that:

COUNT II

On or about December 2, 1981, in the Northern District of Ohio, RONALD A. BRAVERMAN, the Defendant

herein, having duly taken an oath that he would testify truthfully in a proceeding before the United States Grand Jury, which had been duly impanelled and sworn in the United States District Court for the Northern District of Ohio, did unlawfully and knowingly make certain false and material declarations as hereinafter described:

1. At the time and place aforesaid, the said Grand Jury was conducting an investigation into possible violations of Sections 7201 and 7206(1) of Title 26 of the United States Code relating to income tax evasion and subscribing to false income tax returns; violations of Section 371 of Title 18 of the United States Code relating to conspiracy to defraud the United States government; and violations of Sections 5322(a) and 5322(b) of Title 31 of the United States Code relating to failure to file foreign bank account reports.

2. It was material to the aforesaid investigation to determine the ownership of various corporations in Europe as well as MR. BRAVERMAN's business relationship with David Sturman.

3. At the time and place hereinabove specified in pararagraph one, RONALD A. BRAVERMAN, the Defendant herein, appeared as a witness before said Grand Jury and, then and there being under oath, testified falsely before said Grand Jury with respect to the said matters as follows:

Grand Jury Testimony
December 2, 1981
p. 148, lines 13-15

Q. Now, Mr. Braverman, do you know David Sturman?

A. Yes. He is Reuben Sturman's son.

• • •

p. 149, lines 5-23

Q. Did he have any involvement in the European businesses?

A. No, not to the best of my knowledge.

Q. You were never involved with him in Amsterdam?

A. Yes.

Q. You were?

A. Yes.

Q. Tell us about that.

A. It was no real involvement. I think Reuben wanted to get him involved in the business, and not necessarily in my business, but he wanted to get him involved in the adult business and to understand the adult business nationwide and so on, and he asked me if he could come over for a couple of weeks and work with me to understand the European front, and I said, "Fine."

He stayed in my house. He ate with me. There was no outlay of money on my part.

* * *

4. The aforesaid testimony of RONALD A. BRAVERMAN, the Defendant herein, as he then and there well knew and believed was not true in that:

A. Contrary to the Defendant's testimony (p. 149, lines 5-23) he (BRAVERMAN) and David Sturman were officers in corporations known as Societe Financiere Et Commerciale S.A. and Scarab International L.T.D., both of which operated in Europe; and BRAVERMAN and David Sturman were present at Board of Directors

and Stockholders meetings held in Switzerland on July 26, 1977 and October 6, 1978.

B. Contrary to the Defendant's testimony (p. 149, lines 5-23) he and David Sturman both had signature authority over the Fabricora Establishment bank account number 54.95.13.248 at the Algemene Bank Nederland N.V. Amsterdam, Netherland.

All of the above in violation of Section 1623 of Title 18, United States Code.

The Grand Jury further charges that:

COUNT III

On or about December 3, 1981, in the Northern District of Ohio, RONALD A. BRAVERMAN, the Defendant herein, having duly taken an oath that he would testify truthfully in a proceeding before the United States Grand Jury, which had been duly impanelled and sworn in the United States District Court for the Northern District of Ohio, did unlawfully and knowingly make certain false and material declarations as hereinafter described:

1. At the time and place aforesaid, the said Grand Jury was conducting an investigation into possible violations of Sections 7201 and 7206(1) of Title 26 of the United States Code relating to income tax evasion and subscribing to false income tax returns; violations of Section 371 of Title 18 of the United States Code relating to conspiracy to defraud the United States government; and violations of Sections 5322(a) and 5322(b) of Title 31 of the United States Code relating to failure to file foreign bank account reports.

2. It was material to the aforesaid investigation to determine the true nature of the Fabricora Establishment bank account (#54.95.13.248) at the Algemene Bank Nederland N.V. in Amsterdam. This included the identity of the person who opened and operated the account, the identity of those persons having signature authority over the acconut, and the purpose for which it was opened and operated in general and in regard to specific transactions.

3. At the time and place hereinabove specified in paragraph one, RONALD A. BRAVERMAN, the Defendant herein, appeared as a witness before said Grand Jury and, then and there being under oath, testified falsely before said Grand Jury with respect to the said matters as follows:

Grand Jury Transcript
December 3, 1981
p. 181, lines 8-25; p. 182, lines 1-5

Q. Mr. Braverman, referring to our conversation yesterday concerning the bank account Fabricora Establishment—

A. Correct.

Q. —do you recall that we discussed that yesterday?

A. Sure do.

Q. Can you tell the Grand Jury why it was that $40,000 was removed from that account and transferred to the United States for the downpayment on Reuben Sturman's son's house?

A. Can I tell you anything about it?

Q. Yes.

A. Absolutely not.

Q. Do you have any knowledge that that, in fact, was done?

A. No—excuse me. I have knowledge that a house was purchased. I have knowledge that David Sturman bought a house, yes.

Q. What you are indicating is that you had no independent knowledge of where the downpayment for that home came from; is that correct?

A. That's correct.

* * *

4. The aforesaid testimony of RONALD A. BRAVERMAN, the Defendant herein, as he then and there well knew and believed was not true in that:

A. Contrary to the Defendant's testimony that he had no independent knowledge of the source of the $40,000 downpayment for David Sturman's house (p. 181, lines 8-25; p. 182, lines 1-5) he had personal knowledge of the transfer of $40,000 from the Fabricora Establishment account to an escrow account for David Sturman in Cleveland, Ohio.

All of the above in violation of Section 1623 of Title 18, United States Code.

The Grand Jury further charges that:

## COUNT IV

On or about December 3, 1981, in the Northern District of Ohio, RONALD A. BRAVERMAN, the Defendant herein, having duly taken an oath that he would testify truthfully in a proceeding before the United States Grand Jury, which had been duly impanelled and sworn in the United States District Court for the Northern District of Ohio, did unlawfully and knowingly make certain false and material declarations as hereinafter described:

1. At the time and place aforesaid, the said Grand Jury was conducting an investigation into possible violations of Sections 7201 and 7206(1) of Title 26 of the United States Code relating to income tax evasion and subscribing to false income tax returns; violations of Section 371 of Title 18 of the United States Code relating to conspiracy to defraud the United States government; and violations of Sections 5322(a) and 5322(b) of Title 31 of the United States Code relating to failure to file foreign bank account reports.

2. It was material to the aforesaid investigation to determine the true nature of the Fabricora Establishment bank account (#54.95.13.248) at the Algemene Bank Nederland N.V. in Amsterdam. This included the identity of the person who opened and operated the account, the identity of those persons having signature authority over the account, and the purpose for which it was opened and operated in general and in regard to specific transactions.

3. At the time and place hereinabove specified in paragraph one, RONALD A. BRAVERMAN, the Defendant herein, appeared as a witness before said Grand Jury and, then and there being under oath, testified falsely

before said Grand Jury with respect to the said matters as follows:

Grand Jury Transcript
December 3, 1981
p. 360, lines 14-24

Q. Have you ever handled any sort of financial transactions for Reuben Sturman?

A. Outside of minor personal ones, no.

Q. What do you consider minor?

A. I'm talking about something under a few hundred dollars, like, you know, when he saw something and he couldn't get it, I would purchase it for him.

I know I bought him some cigars a couple of times, and everyone of these personal things have always been reimbursed.

4. The aforesaid testimony of RONALD A. BRAVERMAN, the Defendant herein, as he then and there well knew and believed, and was not true in that:

A. Contrary to the Defendant's testimony that he had never handled any financial transactions for Reuben Sturman, aside from minor matters under a few hundred dollars (p. 360, lines 14-24) he in fact was involved in a financial transaction involving Reuben Sturman's loan of $100,000 to Gerry Stockton of Gallery Art Asia, Los Angeles, California.

All of the above in violation of Section 1623 of Title 18, United States Code.

The Grand Jury further charges that:

## COUNT V

On or about December 3, 1981, in the Northern District of Ohio, RONALD A. BRAVERMAN, the Defendant herein, having duly taken an oath that he would testify truthfully in a proceeding before the United States Grand Jury, which had been duly impanelled and sworn in the United States District Court for the Northern District of Ohio, did unlawfully and knowingly make certain false and material declarations as hereinafter described:

1. At the time and place aforesaid, the said Grand Jury was conducting an investigation into possible violations of Sections 7201 and 7206(1) of Title 26 of the United States Code relating to income tax evasion and subscribing to false income tax returns; violations of Section 371 of Title 18 of the United States Code relating to conspiracy to defraud the United States government; and violations of Sections 5322(a) and 5322(b) of Title 31 of the United States Code relating to failure to file foreign bank account reports.

2. It was material to the aforesaid investigation to determine the true nature and extent of MR. BRAVERMAN's involvement with Swiss bank accounts. This included the number and location of such accounts, whether there were other signers on the accounts, and the purpose for which such accounts were opened and operated.

3. At the time and place hereinabove specified in paragraph one, DONALD A. BRAVERMAN, the Defendant herein, appeared as a witness before said Grand Jury and, then and there being under oath, testified falsely before said Grand Jury with respect to the said matters as follows:

Grand Jury Transcript
December 3, 1981
p. 220, lines 24-25
p. 221, lines 1-13

Q. Now, you mentioned before that you did have some Swiss bank accounts?

A. Yes.

Q. Did you have more than one?

A. No.

Q. What bank did you have the account in in Switzerland?

A. I think it's at the Swiss Credit Bank?

Q. Where is that located?

A. Switzerland, in Zurich.

Q. So when you went to handle transactions with your Swiss bank account, you would go to Zurich?

A. Oh, yes.

Q. Do you still maintain that account?

A. Yes.

* * *

p. 226, lines 17-25
p. 227, lines 1-13

Q. Let's talk about cash first.

A. I really don't remember, because I had it all transferred to my Swiss account. So I really don't—to me, whether it was a check or whether it was cash, I really didn't care what it was.

Q. You sold the business for roughly $600,000?

A. Yes.

Q. So your interest in that was $300,000?

A. I think that there were several debts that we had to pay off that 600,000. He bought the business free and clear, so, as I remember, I remember ending up with about $250,000, maybe a little less.

Q. Which was transferred immediately to your Swiss account?

A. No. It was by a couple of payments that were made subsequently over, I think, a one-year period.

Q. Where were the payments made?

A. Into my Swiss account.

Q. So everything went into the Swiss account?

A. Yes.

* * *

p. 284, lines 4-19

Q. Is it fair to say that you have then maintained all of the money that you received from Stonerealm from the skim?

A. Yes.

Q. Is all that money still in your Swiss account?

A. Well, you spend a lot of it, but the majority was there at one time. If we are talking about the '74, '75 time frame, the money was still there. Its no longer.

Q. We are.

A. But the bulk of it is no longer.

Q. If we are going to cover the period 1974 through 1981, when the skim ceased—is that fair to say?

A. '79, '80.

* * *

p. 319, lines 4-19

Q. Now, where specifically did you get the money for the downpayment?

A. From my Swiss account.

Q. Was that—that was a lump sum withdrawal?

A. Right.

Q. Did you personally go to Switzerland and withdraw the money?

A. I believe I did, and I sent it over in check form.

Q. You sent a check to Mr. Sturman?

A. Yes, but it was not in cash.

Q. You wire transferred?

A. No. It was like a cashier's check, a bank check.

Q. For $75,000 payable to whom?

A. Teddy Marche.

* * *

p. 315, lines 20-25
p. 316, line 1

Q. What bank did you draw the cashier's check on for the down payment?

A. I would imagine the Swiss Credit Bank.

Q. Was it the Swiss Credit Bank, or are you guessing it was?

A. I would say that's where my account was. That's where I would have drawn it.

* * *

p. 362, lines 6-15

Q. All right. How much money do you have in your Swiss bank account currently?

A. Somewhere around $200,000.

Q. That is currently being replenished by profits from Vending B.V.; is that correct?

A. Yes.

Q. Where else?

A. That's it.

Q. That's it?

A. Yes.

4. The aforesaid testimony of RONALD A. BRAVERMAN, the Defendant herein, as he then and there well knew and believed, was not true in that:

A. Contrary to the Defendant's testimony (p. 220, lines 24-25; p. 221, lines 1-13) that he had only one Swiss bank account and it was located at the Swiss Credit Bank, he then and there knew that he also had two other Swiss accounts located at the Swiss Bank Corporation in Zurich, Switzerland (account numbers PO-365.834 and PO-362-658), and said additional accounts existed in time simultaneously, in whole or in part, with the time in which his account at Swiss Credit Bank was open.

B. Contrary to the Defendant's testimony (p. 221, lines 1-13; p. 362, lines 6-15) that the account at Swiss Credit Bank was still maintained as of the date of his testimony (December 3, 1981) and held a balance of $200,000, the account had in fact been closed in March, 1981 and had a zero balance.

C. Contrary to the Defendant's testimony (p. 226, lines 17-25; p. 227, lines 1-13) that he deposited the sum of $250,000 from the sale of his Amsterdam businesses into his account at the Swiss Credit Bank, no such deposits were ever made into that account.

D. Contrary to the Defendant's testimony (p. 284, lines 4-19) that from 1974 to 1980 or 1981 he deposited all of the skim money from Stonerealm Ltd. into his account at the Swiss Credit Bank, no such deposits were ever made into that account.

E. Contrary to the Defendant's testimony (p. 310, lines 4-19) that he had withdrawn $75,000 from his account at Swiss Credit Bank to use as a downpayment for the purchase of Marche Manufacturing Company, no such withdrawal in the amount of $75,000 was ever made from that account.

All of the above in violation of Section 1623 of Title 18, the United States Code.

The Grand Jury further charges that:

COUNT VI

On or about December 3, 1981, in the Northern District of Ohio, RONALD A. BRAVERMAN, the Defendant here-

in, having duly taken an oath that he would testify truthfully in a proceeding before the United States Grand Jury, which had been duly impanelled and sworn in the United States District Court for the Northern District of Ohio, did unlawfully and knowingly make certain false and material declarations as hereinafter described:

1. At the time and place aforesaid, the said Grand Jury was conducting an investigation into possible violations of Sections 7201 and 7206(1) of Title 26 of the United States Code relating to income tax evasion and subscribing to false income tax returns; violations of Section 371 of Title 18 of the United States Code relating to conspiracy to defraud the United States government; and violations of Sections 5322(a) and 5322(b) of Title 31 of the United States Code relating to failure to file foreign bank account reports.

2. It was material to the aforesaid investigation to determine the ownership of a company known as Videorama B.V. in Amsterdam, The Netherlands, to determine what involvement if any RONALD A. BRAVERMAN had with the company and to determine what if any knowledge BRAVERMAN had relative to the business of Videorama B.V.

3. At the time and place hereinabove specified in paragraph one, RONALD A. BRAVERMAN, the Defendant herein, appeared as a witness before said Grand Jury and, then and there being under oath, testified falsely before said Grand Jury with respect to the said matters as follows:

Grand Jury Transcript
December 3, 1981
p. 291, lines 20-25
p. 292, lines 1-4

Q. Are you familiar with the company by the name of Videorama?

A. I have heard of the company, yes.

Q. What do you know about that company?

A. It's a company that is affiliated with Mr. Geerts, and is in the Video business. They are in the sale of video pre-recorded tapes.

Q. In the adult entertainment pre-recorded tapes—

A. Both.

* * *

p. 292, lines 10-25
p. 293, lines 1-10

Q. Do you know who owns that corporation?

A. No.

Q. Have you ever had any business dealings with the corporation?

A. No—excuse me. Yes, I have.

Q. On what basis?

A. When I was in need of blank tapes. During the time I was in Hong Kong, I got some blank tapes to them and sent it to them to test.

Q. How recent was that?

A. That happened to have been in October. We are talking about 12 tapes and a total of $60.

Q. That was when Reuben Sturman accompanied you in Hong Kong?

A. Yes.

Q. Was he at all involved in that transaction?

A. No. As it is, Mr. Geerts had told me—told me he was in need of video tapes and heard there were video tapes in the Far East, and if I came across any, he would appreciate it if I got him some so that the quality could be checked. I'm not in the video tape business with the tapes along with the film.

Q. That is your sole contact with Videorama?

A. Yes.

4. The aforesaid testimony of RONALD A. BRAVERMAN, the Defendant herein, as he then and there well knew and believed, was not true in that:

A. On February 7, 1980, he caused the sum of $78,000 Dutch florins (U.S. $40,979.30) to be transferred by check from account number 603.859.60R in the name of Societe Financiere Et Commerciale S.A., at the Union Bank of Switzerland, to Videorama B.V.

B. In February, 1979 the Defendant caused the sum of $25,000 to be transferred from the Fisher Establishment account number 54.95.10.060 at the Algemene Bank, Nederland N.V. to the account of Videorama B.V.

C. About April, 1980, Videorama B.V. paid the sum of $12,650.00 to the Fabricora Establishment account

number 54.95.13.248, at the Algemene Bank Nederland, N.V., on which account the Defendant RONALD A. BRAVERMAN was a signatory.

All of the above in violation of Section 1623 of Title 18, United States Code.

The Grand Jury further charges that:

COUNT VII

On or about December 3, 1981, in the Northern District of Ohio, RONALD A. BRAVERMAN, the Defendant herein, having duly taken an oath that he would testify truthfully in a proceeding before the United States Grand Jury, which had been duly impanelled and sworn in the United States District Court for the Northern District of Ohio, did unlawfully and knowingly make certain false and material declarations as hereinafter described:

1. At the time and place aforesaid, the said Grand Jury was conducting an investigation into possible violations of Sections 7201 and 7206(1) of Title 26 of the United States Code relating to income tax evasion and subscribing to false income tax returns; violations of Section 371 of Title 18 of the United States Code relating to conspiracy to defraud the United States government; and violations of Sections 5322(a) and 5322(b) of Title 31 of the United States Code relating to failure to file foreign bank account reports.

2. It was material to the aforesaid investigation to determine the true ownership of a company known as Health Devices Inc., of Los Angeles, California, allegedly owned by the Defendant RONALD A. BRAVERMAN,

and to determine what role if any was played by Reuben Sturman in the ownership and operation of the company. It was also material to determine the source of funds used to purchase the company from Marche Manufacturing Company, as well as the source of funds for further capitalization of the company after its sale.

3. At the time and place hereinabove specified in paragraph one, RONALD A. BRAVERMAN, the Defendant herein, appeared as a witness before said Grand Jury and, then and there being under oath, testified falsely before the said Grand Jury with respect to the said matters as follows:

Grand Jury Transcript
December 3, 1981
p. 319, lines 19-25
p. 320, lines 1-17

Q. Tell us how you capitalized Health Devices?

A. Poorly.

Q. Well, be very explicit now in that regard.

A. I'm going to try and give it to you.

Health Devices was only in the manufacturing of the rubber goods business. It was a relatively small business, only doing a couple hundred thousand dollars a year. I wanted to keep body massagers, vibrators, lingeries, creams, and so on. There are many different aspects of the business that Teddy Marche was not in.

Therefore, what I did, is a lot of the money that I had made over those previous years and had put into Swiss

accounts and had put into Dutch accounts and so on, I started transferring back to the United States, I started bringing back to the United States in cashier's checks and so on. I brought it back in cash, I brought it back however I could, and I kept investing it into the business as the business needed it, and there was a total capitalization of somewhere between five and six hundred thousand that I subsequently put into the business.

• • •

p. 321, lines 1-14

Q. Were you the sole source of bringing the money into the country?

A. No. I once asked Mr. Marle to bring some money and Mr. Geerts.

Q. How much money did Mr. Marle bring into the country?

A. I believe together they brought in about $100,000.

Q. Would that have been in cash?

A. Yes.

Q. Did they obtain that money from your Swiss bank account?

A. Yes. I had it withdrawn for them and given to them.

4. The aforesaid testimony of RONALD A. BRAVERMAN, the Defendant herein, as he then and there well knew and believed, was not true in that Health Devices was not capitalized with currency withdrawn from MR. BRAVERMAN's Swiss account.

All of the above in violation of Section 1623 of Title 18, United States Code.

This is a True Bill.

/s/ FOREMAN

/s/ J. WILLIAM PETRO
United States Attorney
Northern District of Ohio

/s/ STEVEN R. OLAH
Special Attorney
Criminal Division
U.S. Department of Justice